

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of:

Rural Health Universal Support Mechanism
Becky Rains, PMP
Department of Information Services

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The Arkansas Department of Information Systems (DIS) is a state agency authorized by state legislatures to provide telecommunications and information services to government agencies, public schools, libraries and universities and colleges. DIS procures and manages a state telecommunications networks (STN) within Arkansas pursuant to a system of competitive bidding mandated by state procurement laws. These networks are acquired under contract with common carrier providers operating under a STN network contract or related services.

The volume discounts obtained from the purchasing power of aggregated government needs lowers the cost per unit of service for all government entities on the STN. This should be a value to health care providers of small size and limited resources. By negotiating contracts for services STN the network contracts have virtually eliminated the rural-urban difference. Therefore the Rural Health Program is only beneficial for Arkansas STN users if there is a meet-point-billing situation. DIS continues to offer its assistance in maximizing the utilization of eligible services and strives to avoid unintended consequences where applicants must choose between compliance with state and local procurement law and universal service fund discounts.

STN contracting promotes competition and furthers the Commission's other goals of broadband deployment in rural areas. Use of these state master contracts also furthers common goals of streamlining and lowering administrative costs. It also avoids unnecessary duplication of resources and ensures interoperability among public telecommunications components.

While the Commission has demonstrated caution in its rules regarding STN eligibility to receive discount funding, I would suggest that strengthening the Administrator's discretion when applicants use STN contracts could alleviate administrative burdens, strengthen the reach of available funding, and avoid abuse of the program.

Eligible health care providers

I support Florida Public Service Commissions comments on maintaining the current definition of "health care provider" with one exception, nursing homes that are attached to rural hospitals should be added to the definition of "health care provider".

Focus should be on increasing participation by health care providers that are currently eligible under the Act at this time. This can be achieved by simplifying the application process. It can also be accomplished by increasing outreach and training. When participation is increased, the discussion of adding other health care providers should be re-opened.

Eligible services

I support the discounts on toll charges for Internet access. Although participation is currently low, eliminating the eligibility of this service would have a negative impact on the small rural locations ability to receive any Internet access.



I support the comments made by respondents recommending the inclusion of discounts on Internet access charges in rural locations as long as the cost to provide such services in rural areas exceeds the same level of service in any urban area of the state.

I support the comments that Rural Health Division consider the eligibility of information networks along with telehealth networks. The telecommunications environment is changing and growing. The Rural Health Program should be prepared to provide support for the convergence of networks.

Changing the calculation of discounted services MAD – rate calculation utilizing rates in any urban area not just closest city of 50,000

I support the comments made by the majority of respondents to remove the MAD rate calculation.

Rate comparisons

I support the comparison of rates for like services. Comparing like services will alleviate the problems rural states have when there is only one service provider in a state. It also alleviates the problems incurred by users of STN contracts.